

METROPOLITAN SERVICE DISTRICT MINUTES

OF

AUGUST 17, 1970

ATTENDANCE

Eldon Hout  
David Eccles  
Robert Schumacher  
Lloyd Anderson  
Harold Ruecker  
Homer C. Chandler

ABSENT

Sid Bartels  
Frank Schumaker

There being a quorum present, the Committee took action on the following items:

I. Bylaws

Mr. Anderson stated that he had only one reservation about the bylaws as they had been amended. This reservation deals with the matter of compensation of District Board members. Mr. Anderson stated that he is not opposed to this provision, but feels that it must be clarified so that it will be in harmony with charters that stipulate that an elected official being paid for his full-time work can not receive additional salary from other sources. It was suggested that Mr. Anderson review this matter with the Portland City attorney and then present a recommended wording for this provision of the bylaws.

II. Financial Plan

The Chairman announced that the purpose of the meeting was to hear a report concerning how the District can be financed and to, if possible, determine the course of action. He called on the Executive Director to present a report concerning his studies of the District's financial alternatives.

Mr. Chandler stated that, from his study, which was greatly aided by finance experts, attorneys, and the State Finance Office, he had concluded that there are three separate distinct periods of time involved in the financial program of the District. He stated that those three times are November 1970-July 1, 1971; July 1, 1971 to November 15, 1971; November 15, 1971 to November 1972.

Mr. Chandler then outlined the alternatives that appear to be available to the District and their applicability to these three time periods. The alternatives reflect the following.

| <u>Sources of Revenue</u>   | <u>Nov. '70-July '71</u> | <u>July '71-Nov. '71</u> | <u>Nov. '71-Nov. '72</u> |
|-----------------------------|--------------------------|--------------------------|--------------------------|
| Establish Tax Base          | Non-applicable           | Applies                  | Applies                  |
| Serial Levy                 | Non-applicable           | Applies                  | Applies                  |
| Loans:                      |                          |                          |                          |
| a. Tax Notes                | Questionable             | Applies                  | Not Needed               |
| b. State & Local Government | Questionable             | Questionable             | Not Needed               |
| Bond Issues:                |                          |                          |                          |
| a. General Obligation       | Questionable             | Questionable             | Not Needed               |
| b. Revenue                  | Applies--Unlikely        | Applies                  | Applies                  |
| Service Charges & Fees      | Applies--Unlikely        | Applies                  | Applies                  |

At the conclusion of his presentation, Mr. Chandler made the following recommendations:

1. That the District place on the November ballot a proposition to assess a Serial Tax levy for a two year period.
2. That the District will request a written legal opinion from Mr. Howard Rankin, Bonding Attorney, as to the validity and legality of using general obligation bonds for administrative purposes.
3. That the District seek from the next State Legislature interim financing.

He stated that this three-prong approach would be addressing itself to the problem facing the District at this time and would help provide answers as to how to finance the operations of the District.

Following Mr. Chandler's presentation, the Board of Directors discussed a possible tax levy, and then instructed Mr. Chandler to report back to the Board's special meeting on August 21, 1970, concerning the total assessed evaluation of the District and a refined budget and tax levy.

III. Estimated Budget:

Mr. Chandler presented an estimated budget with the following observations. The budget presented is a very rough estimate of what may be needed in the two years ahead, but he felt that it would provide financing to allow the District to get on with its work and make definite progress in certain functions.

He further noted that the proposed budget would have the District relying on other programs such as CRAG and cities and counties for staff assistance and information. The Board of Directors took the proposed budget under advisement.

There being no further business, the meeting adjourned at 10:30 a.m.



**COLUMBIA REGION ASSOCIATION of GOVERNMENTS**

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MEMORANDUM

TO: Board Members of the Metropolitan Service District      DATE: August 12, 1970

FROM: Homer C. Chandler, Acting Director

SUBJECT: Special Meeting

Some members of the Board of Directors have expressed concern in the need of an additional meeting to finalize a financial program so that we can meet the date of having the matter on the November ballot. Accordingly, the Chairman of the Committee requests that you attend a special meeting to be held Monday, August 17, 1970, 8:30 a.m. at the CRAG Office, 429 S. W. Fourth Avenue, Suite 500, Portland, Oregon.

The agenda item will be a report on the budget and funding alternatives.

Sincerely,

*Homer C. Chandler*  
Homer C. Chandler  
Executive Director

HCC:jec